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F I S C A L I M P A C T R E P O R T



SPONSOR: Varela DATE YPED: 01/21/02 HJM 8

SHORT TITLE: State Government Organizational Study SB _____

ANALYST: Belmares

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY02	FY03	FY02	FY03		
	NFI				

Duplicates SJM5

SOURCES OF INFORMATION

LFC Files
 Economic Development Department (EDD)
 Division of Vocational Rehabilitation (DVR)
 Workers' Compensation Administration
 New Mexico State Fair

SUMMARY

Synopsis of Joint Memorial

House Joint Memorial 8 (HJM8) requests that the New Mexico Legislative Council create an interim committee to study and evaluate New Mexico State government's ability to operate in a cost-efficient manner under its current organizational structure and to report its findings and any recommendations for changes in that structure to the first Session of the Forty-sixth Legislature and the Governor.

HJM8 indicates "the Legislative Finance Committee has identified the following problem areas in which inappropriate government organizational structure appears to be a substantial contributing factor:

- A. the provision of services of the Medicaid program;
- B. lack of coordination in the state's efforts to finance debt through the issuance of bonds; and
- C. proliferation of workforce development programs."

HJM8 also directs the LFC and the Department of Finance and Administration to cooperate with and assist the interim committee in carrying out its duties.

Significant Issues

HJM8 is LFC-Sponsored legislation.

ADMINISTRATIVE IMPLICATIONS

HJM8 anticipates the identification and implementation of needed organizational changes would result in substantial savings in expenditures and in increased efficiency in state government operations.

DUPLICATION

Duplicates Senate Joint Memorial 5.

EB/ar